

the main factor is a diffused feeling of hopefulness engendered in the latter traders by the sight of the prosperity of the trade or trades which first set the start, and which may genuinely possess the elements of success which the others never actually contain.

It is obvious that some industries are so closely allied in the nature of their work that a rise of value in one necessarily involves a corresponding advance in the other; thus, if the iron industry be stimulated by demands for shipbuilding the coal trade will benefit from the employment of coal in iron manufactures. These trades are united by the bond of co-operation to a common end, so that influences which affect the one will include the other within their scope. This sequence cannot be termed sympathy; it consists simply of effects produced in two industries by a common cause.

It is said that<sup>^</sup> if the price of wheat rises, potatoes and other alternative (or substitutive) foods concurrently and gradually rise in sympathy; the prose translation of this statement merely is that frugal housekeepers would not continue buying wheat flour for *Wd.* when they can obtain a good alternative food in the form of potatoes or rice at *Id.* Wheat, therefore, is either kept down in price or the substituted articles ascend to its level. This effect is not an example of sympathy; it is the feeling of economy enforced by the rise of an article in common use, and the search for cheaper substitutes.

When securities fall or rise in value generally, we do discover the operation of sympathy, in its proper sense, as a conscious state of mind—the fellow-feeling existing and acting between the dealers (including the public) in these investments. Some cause or event, real or imaginary, or, if imaginary, converted for the time under stress of excited and unreasoning feeling into the power of reality so far as action is concerned—affects the minds of investors with the fear that a particular security is tending to become unsound or likely to prove unprofitable; sales in consequence grow numerous and the price keeps falling; the

influence of the emotion of sympathy spreads to the minds of the holders of other stocks (although these stocks may not be related, in any special connection, to those which first fell, and have not been subject to the cause or causes which pro-